FOR 2004 REGULAR SESSION

By: Governor Haley Barbour May 12, 2004

This has been a hard budget year that required many tough choices, and during the 2004 Regular Session those choices were made. The Legislature passed some significant legislation and an honest budget with no deficits and no tax increases. That is a major achievement. While I would have made some different choices, and we still will have a lot more to do next year, I commend our legislators for making difficult choices. Legislative leaders and all who played a role in this process deserve praise and gratitude for their accomplishment. I want to personally thank the Legislature for passing many of the requests in my "State of the State Address" and much of my "Operation: Streamline" budget.

Savings Over Spending

We turned the corner this Legislative Session in how state government operates during a budget crisis. We have moved from an emphasis on *spending* to an emphasis on *saving* and *streamlining*, living within our means.

The Legislature passed more than \$200 million in spending savings from "Operation: Streamline" – quite possibly the largest savings total in state budget history. Some one-time money was used to avoid drastic cuts – like tobacco trust fund money – but a plan was put in place to make the practice even rarer in the future.

<u>Workforce Development + Tort Reform = Job Creation</u>

During this Session, we were able to overhaul our workforce development programs and keep Mississippi's taxes at their present levels. For the first time, workforce development initiatives in Mississippi will streamline state and federal delivery systems and encourage private enterprise job training. I am pleased that the Legislature was accepting of these job training proposals.

Legislators also stood by what many of us said on the campaign trail: "No tax increases." This is a brave stance that not only helps restores budget responsibility, but helps recruit new industry to Mississippi as well.

The missing piece of our job creation plan, however, is tort reform. Ending lawsuit abuse in Mississippi is an immediate need that must be addressed this year. As I have made plain, I am prepared to call a special session to address this issue.

Education Did NOT Get a BAD Check

We fully funded next year's teacher pay raise, and I am pleased that our schools will be able to spend the same amount of money as they did last year by not saving their recommended 5% next fiscal year. While our "95% Solution" was not adopted, a "97% Solution"

was used, and I think that was a good compromise. We did not write education a bad check this year and that is good for our schools. They can plan accordingly and not have to worry so much about midyear cuts. Now, school districts can defer savings -- for one year -- to allow for sufficient spending in the face of a budget crisis.

I was also pleased that the Legislature passed our teacher recruitment enhancements and expanded alternative certification. Mississippi schools need more than twice the number of new teachers to join the profession annually. This legislation recruits noneducation majors into teaching through alternate certification and allows all students to compete for key teaching scholarships if they agree to teach in shortage areas or subjects.

Mississippi is Safest Place to be an Unborn Child

Passage of our "Conscience Exception" bill allowing health care providers to opt out of performing abortions without fear of retribution, and other pro-life laws passed this Session, will make Mississippi arguably the safest place to be an unborn child in America today.

Voter ID

Another issue that was not resolved this Session was voter ID. Nothing is more important for fair and honest elections in Mississippi than the enactment of a Voter ID law for all voters. Voter ID does not represent intimidation; it represents integrity.

Working Together

I think we will look back on the 2004 Regular Session and say it was very productive. Many parts of state government will change for the better. This Session will be remembered as a time when we began our climb out of our budget hole and refocused our efforts on job creation. Our state government streamlining efforts are not complete. We are already working immediately on "Operation: Streamline 2" to look for additional cost-savings we can use to help erase the rest of Mississippi's budget shortfall.

Before I became Governor I read many accounts about how hard it is for the Governor and the Legislature to work together in Mississippi. While we had many difficult issues, I did not find that to be the case. This Legislature has been very good to my proposals, because many legislators, Democrats and Republicans, campaigned on the same issues and solutions I ran on. I appreciate them, and you should, too.